

**UTAH APPRAISER LICENSING AND CERTIFICATION BOARD**

Heber M. Wells Building

Room 210

9:00 a.m.

December 28, 2016

TELEPHONE MEETING

**MINUTES**

**DIVISION STAFF PRESENT:**

Jonathan Stewart, Division Director

Mark Fagergren, Education and Licensing Director

Kadee Wright, Chief Investigator

Justin Barney, Hearing Officer

Elizabeth Harris, Assistant Attorney General

Eric Stott, Real Estate Analyst

Amber Nielsen, Board Secretary

Faruk Halilovic, Division Staff

**BOARD MEMBERS PRESENT:**

John E. Ulibarri, II, Vice Chair

Jim Bringham, Board Member

Daniel Brammer, Board Member

Jeffrey T. Morley, Board Member

**PUBLIC MEMBERS PRESENT:**

Mike Christensen

Theddi W. Chappell

The December 28, 2016 meeting of the Appraiser Licensing and Certification Board began at 9:04 a.m. with Vice Chair Ulibarri conducting. Chair Coleman-Nicholl was excused from today's meeting.

**PLANNING AND ADMINISTRATIVE MATTERS**

Approval of Minutes – A motion was made and seconded to approve the minutes from November 23, 2016 meeting as written. Vote: Vice Chair Ulibarri, yes; Board Member Bringham, yes; Board Member Brammer, yes; Board Member Morley, yes. The motion carries.

Public Comment Period – Mike Christensen spoke to Board. He stated he doesn't feel we should be basing public policy on a single segment of a regulated industry without fully understanding its impact on the balance. He feels it is extremely dangerous to draft regulations only considering the impact from the perspective of the mortgage industry. He feels there will be unexpected impact on the commercial side of the industry. Mr. Christensen asks that the Board remember there are other segments in the valuation industry other than mortgage lending. He stated if the rule is going to be passed, then he would hope the rule would be limited to the residential mortgage segment of the industry.

Mr. Barney stated he will be presenting some additional public comment on this issue later in the agenda. Mr. Christensen stated he believed other members of the public would be attending the meeting today; and he and the others may want to address the commission again at that time regarding this issue. Director Stewart stated there will be a public hearing on this proposed rule.

## **DIVISION REPORTS**

### **DIRECTOR'S REPORT – Jonathan Stewart**

Director Stewart reported the Division draft of the bill was sent approximately two months ago. Representative Froer is considering adding a few items to the bill which only concern real estate. Director Stewart will be in a meeting with Representative Froer on January 4, 2017 and should know more at that point regarding the additions. Shortly thereafter, the Division should see a draft of the rule to review.

Director Stewart reported on December 7, 2016 the ASB released the Third Exposure Draft of proposed changes to the 2018-2019 edition of USPAP. They are accepting comments until January 27, 2017. That draft addresses changes to the definition of report; definition of assignment, intended use, and intended user; definitions of assumption and extraordinary assumption; STANDARD 3 - Dividing into STANDARD 3, Appraisal Review, Development and STANDARD 4, Appraisal Review, Reporting; STANDARD 6 - Dividing into STANDARD 5, Mass Appraisal, Development and STANDARD 6, Mass Appraisal, Reporting; additional changes to Standard Rules; and additional changes to Advisory Opinions.

### **ENFORCEMENT REPORT – Kadee Wright**

Ms. Wright reported in November the Division received 2 complaints; opened 2 new cases; closed 4 cases; leaving 40 appraisal cases open with the Division. There are a total of 18 cases are now with the AG's office.

### **Stipulations for Review:**

J. Clyde Christensen

## **EDUCATION AND LICENSING REPORT – Mark Fagergren**

Mr. Fagergren presented the lists for review.

### **Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees:**

Joshua T. Paul, LA Candidate

Jared R. Bailey, LA Candidate

Taylor Katrina Adams, LA Candidate

### **Disciplinary List**

American Reporting Company LLC, AMC Renewal Application

Commerce Appraisal LLC dba Street Smart Valuations, AMC Application

Matthew Aaron Zetterquist, Certified Residential Renewal Application

Arthur Neudek, Temporary CG Application

Keith Harper, Temporary CG Application

## **HEARING OFFICER REPORT – Justin Barney**

Mr. Barney stated there were no licensing stipulations for review.

## **BOARD AND INDUSTRY ISSUES**

Mr. Barney presented for consideration a proposal that the Board delegate to the Division some authority to review applications for certification, licensure, or registration which have previously all come before the Board as part of the Disciplinary List. This would allow applications to be approved more quickly. Mr. Barney cited anecdotal cases where a temporary applicant may have to wait nearly a month before being approved by the Board. Mr. Barney stated there is statutory authority for the Board to delegate authority to review applications to the Division at the Board's discretion. Mr. Barney stated the Real Estate and Mortgage Commissions both have this statutory authority and have delegated their authority. Vice Chair Ulibarri asked what standards the Division would use for approval. Mr. Barney stated the standards would be set by the Board. Director Stewart stated when authority was given from the Real Estate Commission the Division used precedent to make decisions regarding applications. Mr. Fagergren recommends that applications be reviewed by the Hearing Officer and that applications which would be recommended for sanction would be presented to the Board. Board Member Morley asked for clarification on which applications this would effect. Mr. Barney stated the Board would decide which applications would be considered. Board Members Brammer and Bringhurst stated they would be fine with the Division reviewing the applications. Board Member Morley believes granting some authority seems like a good idea; and he believes that possibly granting authority to approve, but not deny or restrict, might be the best option. Vice Chair Ulibarri asked for clarification on the necessary steps to move this forward if that is the Board's decision. Mr. Barney stated they Board could make a rule but it is not necessary. Vice Chair Ulibarri asked that the Division write up a brief proposal and present that at the next meeting.

Mr. Barney stated he has received emails and some phone conversations with Mark Schiffman from REVAA regarding the AMC Broadcast rule proposal requesting a public hearing on that rule proposal. Mr. Barney stated based on the number of public comments received during the public comment period there will need to be a public hearing. Mr. Barney asked if the Board has a conflict with holding that public hearing following the regularly scheduled Board Meeting next month. The written comments from the public comment period would be forwarded to the Board prior to the public hearing. Theddi Chappell addressed the Board and stated some of the policies in the rule proposal may take standards from one segment of the industry and apply those same standards to other portions of the industry and negatively impact the profession.

A motion was made and seconded to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Vice Chair Ulibarri, yes; Board Member Bringhurst, yes; Board Member Brammer, yes; Board Member Morley, yes. The motion passes.

### **CLOSED TO PUBLIC**

An Executive Session was held from approximately 9:52 a.m. to 10:06 a.m.

### **OPEN TO PUBLIC**

#### **RESULTS OF EXECUTIVE SESSION**

##### **Results of Stipulations:**

J. Clyde Christensen – Approved

##### **Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees:**

Joshua T. Paul, LA Candidate – Approved

Jared R. Bailey, LA Candidate – Approved

Taylor Katrina Adams, LA Candidate – Approved

The individuals on the licensing disciplinary list will be notified of the Board's decision.

A motion was made and seconded to adjourn the meeting. Vote: Vice Chair Ulibarri, yes; Board Member Bringhurst, yes; Board Member Brammer, yes; Board Member Morley, yes. The motion passes. The meeting adjourned at approximately 10:08 a.m.